



## Separation of Duties

### The governing body should:

- Appoint a governing body chair.
- Ensure chair responsibilities include:
  - Conduct meetings.
- Appoint clerk (or determine staff member or contractor to perform clerk duties).
- Ensure clerk responsibilities include:
  - Attend meetings and keep a record of the proceedings.
  - Maintain financial records.
  - Prepare checks after determining that the claim:
    - Was authorized by the board or financial officer.
    - Does not over expend the budget; and
    - Was approved in advance by the board or its designee.
  - Present a detailed financial report, monthly or quarterly (depending on entity type) to the governing body.
  - May not sign a single signature check.
- Appoint treasurer (or determine staff member or contractor to perform clerk duties)
- Ensure treasurer responsibilities include:
  - Sign checks after determining that sufficient funds are available.
  - Maintain custody of money.
  - Deposit and invest all money in accordance with the State Money Management Act (Utah Code 51-7).
  - Receive all public funds and money payable to the district.
  - Keep and accurate, detailed account of all money received
  - Issue a receipt for money received.
- Ensure the chair, clerk, and treasurer are all **separate** individuals.
- Approve all expenditures, except expenditures the governing body has authorized a financial officer to approve (payroll and routine expenditures, such as utility bills or supplies).
- Set a maximum sum over which all purchases may not be made without the governing body's approval.
- At least monthly<sup>1</sup>, review all expenditures authorized by the financial officer.

<sup>1</sup> For local and special service districts, at least quarterly.

- ❑ Ensure the treasurer is bonded (insured) as of the date the treasurer assumes duties in accordance with Rule 4 of the Utah Money Management Council:

Budget		Percent for Bond	
\$0 to	10,000	n/a but not less than	0
10,001 to	100,000	9% but not less than	5,000
100,001 to	500,000	8% but not less than	9,000
500,001 to	1,000,000	7% but not less than	40,000
1,000,001 to	5,000,000	6% but not less than	70,000
5,000,001 to	10,000,000	5% but not less than	300,000
10,000,001 to	25,000,000	4% but not less than	500,000
25,000,001 to	50,000,000	3% but not less than	1,000,000
50,000,001 to	500,000,000	2% but not less than	1,500,000
over	500,000,000	not less than	10,000,000